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MICHIGAN HOUSE OF REPRESENTATIVES

LISA POSTHUMUS LYONS

STATE REPRESENTATIVE

**House Commerce Committee
Testimony, February 1, 2011
House Bill 4158**

Chairman Schmidt and members of the House Commerce Committee, thank you for the opportunity to speak before you regarding House Bill 4158, The Shopping Reform and Modernization Act, which modernizes Michigan's outdated item pricing law.

Today, I speak not only as a state legislator and the bill sponsor, but as today's generation of shoppers and a working mother. I am a mother of four young children working outside of the home. My time is a precious resource. When I'm not working, I need to make the most of my time and spend it with family, but I cannot do that in a store. If you've ever met my sweet kids, you would know why! I would like to make the shopping experience more efficient and easier for me and for all consumers in Michigan. For these reasons I have sponsored House Bill 4158 creating The Shopping Reform and Modernization Act.

Michigan consumers are being left behind by an antiquated law- enacted before I was born- that costs shoppers time and retailers billions of dollars that can be better spent investing in other areas. When I think of all the technological advances that have occurred in my adulthood, let alone my entire life, it just makes sense that our state would respond to these advances to take advantage of opportunities that make our lives just a little bit easier.

I want to be clear: this bill is NOT an all-out repeal; it simply brings Michigan into the 21st century by allowing retailers to use the latest technology to clearly and effectively communicate the price of items to consumers. My bill removes the antiquated requirement that a pricer stick be affixed to every item in the store. I am very proud to tell you that this bill also includes consumer protections Michigan families have come to expect and, frankly, deserve.

This bill requires that retailers continues to tell the customer the prices of every item in the store; maintains Attorney General and prosecutorial oversight; includes state advertisement and "rain check" requirements, and retains the "bounty" provision that requires payment of the difference plus ten times the difference between an advertised price and the price charged at checkout.

The Shopping Reform and Modernization Act enables retailers to refocus store efforts on people, not price guns. This means customers get their questions answered sooner, find their items faster, and spend less time in the store, while being more likely to purchase products because someone was there to serve them. And this is just the beginning, new technology is constantly being developed to the make the shopping experience better.

In Virginia, customers have the option of using personal price scanners as they shop. They simply scan each item as they walk through the store. The scanner processes their credit card and shoppers are on their way. No time wasted waiting in checkout lines! As a mother and consumer with limited time, this concept is AWESOME!

As the only state in the nation that requires every individual item have a price tag stuck to it, Michigan remains at a disadvantage in competing with other states for retail. This law costs shoppers more and handcuffs retailers large and small.

Today, you will hear testimony from many other organizations discussing the benefits of The Shopping Reform and Modernization Act, benefits that help make Michigan more attractive for retailers, which would bring jobs. You will also hear from the Anderson Economic Group (AEG), regarding a study it conducted showing Michigan's outdated item pricing law results conservatively in a \$2.2 billion hidden tax on Michigan's economy each year.

You may hear from opponents who will tell you this bill will costs jobs. Don't be fooled. The study will show that is simply not the case, and based on my own experience talking with retailers- even unionized employees that actually do the price stickering, these employees do not fear losing their jobs. They would by in large be re-deployed into other areas of the operations, particularly customer service, which is a win for everyone.

You should also know that I have been working with those groups who may have concerns. In your handouts, you will find a substitute that addresses concerns of some service organizations that don't apply to the retail industry.

I agree with Governor Snyder when he says we need to re-invent Michigan. I believe The Shopping Reform and Modernization Act is a benefit for families and is a solid step in the right direction for Michigan and our economy. I ask you to support House Bill 4158 and change this law that is older than me.

